

**LODI CITY COUNCIL
SPECIAL CITY COUNCIL MEETING
THE MERLOT, 23 W. ELM STREET, LODI
TUESDAY, MAY 29, 2001**

A. CALL TO ORDER / ROLL CALL

The Special City Council meeting of May 29, 2001 was called to order by Mayor Nakanishi at 5:35 p.m.

Present: Council Members – Hitchcock (arrived at 5:37 p.m.), Howard, Land, and Mayor Nakanishi

Absent: Council Members – Pennino

Present from the City: City Manager Flynn, Deputy City Manager Keeter, Management Analyst Hamilton, Economic Development Coordinator Goehring, Community Promotions Coordinator Haynes, City Attorney Hays, and City Clerk Blackston

Also Present: Mary Bagnell, Mitchell Brown, Alan Goldberg, Chuck Higgs, Judy James, Mike Locke, Barbara McWilliams, Dorean Rice, Tim Vallem, and Lew Van Buskirk

B. TOPIC(S)

B-1 “Review of Downtown Lodi Business Partnership’s Significant Expenditure Request”

Lew Van Buskirk, Executive Director of the Downtown Lodi Business Partnership (DLBP), provided background information to the Council (filed) and briefly reviewed the history of the DLBP. He summarized what he has learned about downtown business partnerships since taking over his position on the DLBP: 1) Revitalization of any downtown area is a lengthy process; 2) Ninety-five percent of downtown associations are funded by cities or counties; and 3) there is a necessity for ongoing education. DLBP fund raising events include the Farmers Market, Beerfest, See’s Candy sales, Parade of Lights, Collectibles Summer show, and Kiddies Parade. He submitted a report entitled “Budget Assumptions and Special Notes – Ending June 30, 2002” (filed) on which City funding of \$60,000 was requested.

City Manager Flynn reminded the Council that on September 20, 2000 the DLBP requested and received approval from the Council for general budget and special projects funding of \$61,000 for fiscal year 2000-01, which included \$35,000 in City funding, \$8,500 for a special marketing program to be used during the construction phase of the new theater and parking structure, and \$17,500 for banners and lights for the downtown area. In addition, the City provides patrol officers, parking enforcement, a parking citations clerk, a street cleaner, and assistance from Economic Development Coordinator Tony Goehring and Community Promotions Coordinator Cynthia Haynes for a total cost of \$370,000 per year. Mr. Flynn initially recommended that the Council fund the DLBP \$30,000 for two years and encouraged them to raise revenue through membership dues, fund raising events, and/or revision of the assessment formula.

Community Promotions Coordinator Haynes pointed out that the downtown area is still in the construction phase and spoke in support of continued funding of the DLBP. She stated that downtown Lodi completes the “triangle” by supporting tourism, and cultural/leisure activities in the community.

Economic Development Coordinator Goehring reported that all other cities he has communicated with fund a large portion of the operating costs for their downtown areas. Generally there is a minimum five-year commitment and often times these evolving projects can take up to ten years. The condition of downtown areas are an integral part of business attraction.

In response to questions by Council Member Howard, Mr. Van Buskirk reported that there are 220 businesses in the DLBP, with membership fees of \$200-500 for core retail Area A, \$50-150 for Area B, and \$500 for financial institutions.

Council Member Howard suggested a tiered financial structure over a three- to four-year period, such as \$60,000, \$30,000, and \$15,000.

Mr. Van Buskirk indicated support of the concept and noted that it would save time in budgeting if funding for a longer period of time were known in advance.

Council Member Land made the following suggestions: 1) that the City take over dues collection for the DLBP; 2) advertising be sought for funding the "Downtown Lodi Merchant & Parking Map"; and 3) associate membership dues be considered. He thanked the DLBP for their tremendous efforts and accomplishments.

Mr. Van Buskirk commented that collection responsibilities account for 20% of his time.

Council Member Hitchcock stated that the core area is broadening and suggested that the DLBP reevaluate equity in contributions. She spoke in support of the DLBP's funding request and thanked them for their good work, noting that attendance at downtown events has increased considerably.

In reference to the downtown parking issue, Mr. Van Buskirk stated that it would be disastrous for the public and the merchants to discontinue parking enforcement, particularly with the new theater estimating an increase of 250 cars per day in the area. He acknowledged that employees of downtown businesses cause a significant part of the parking problem. Currently, the DLBP sells 400 parking permits annually. Mr. Van Buskirk commented that parking enforcement might not be necessary once the parking garage is completed.

Mayor Nakanishi supported the City Manager's funding recommendation and expressed the need for the DLBP to become self-sustaining.

City Manager Flynn recommended funding the DLBP \$36,000 toward operations in year one and year two of the 2001-03 budget, \$8,500 (one time cost) for the marketing brochure, and have the City assume the responsibility for DLBP collections and accounting.

Mr. Goehring described a salary and incentive option where the City would commit to a \$35,000 annual funding match to the DLBP along with a percentage of City sales tax, which would help to promote retail in the community.

Mayor Nakanishi and Council Member Land noted that Mr. Goehring's option was beneficial, particularly from a motivational standpoint, and warranted further study.

C. COMMENTS BY THE PUBLIC

- Mike Locke, owner of Christensen's Fashions, Inc., stated that he did not believe that the DLBP could ever become completely self-supporting, and that parking enforcement in the downtown area is more important today than ever before. He commented that the downtown area has changed dramatically over the years and the "mom and pop" businesses are a dying breed.

In response to Council Member Land, Mr. Van Buskirk reported that the food establishments in the downtown area plan to extend their hours to 8:00 or 9:00 p.m. once the theater opens. A meeting on this subject between the restaurant owners, the DLBP, and the Conference and Visitors Bureau has been planned.

D. ADJOURNMENT

There being no further business, the meeting was adjourned at 6:50 p.m.

ATTEST:

Susan J. Blackston
City Clerk